

Hearing Date and Time: October 20, 2022, at 10:00 a.m. EDT

Objection Deadline: October 19, 2022, at 4:00 p.m. EDT

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*¹

Debtors.

)
) Chapter 11
)

) Case No. 22-10964 (MG)
)

) (Jointly Administered)
)

**NOTICE OF REQUESTING HOLDERS' MOTION
TO SHORTEN NOTICE ON THEIR MOTION FOR AN ORDER
AUTHORIZING THE FILING OF CERTAIN INFORMATION UNDER
SEAL IN CONNECTION WITH THE REPLY IN FURTHER SUPPORT OF THE
REQUESTING HOLDERS' MOTION FOR ENTRY OF AN ORDER DIRECTING
THE APPOINTMENT OF AN OFFICIAL PREFERRED EQUITY COMMITTEE**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

PLEASE TAKE NOTICE that a hearing on the *Requesting Holders' Motion For Entry of an Order Authorizing the Filing of Certain Information Under Seal in Connection with the Reply in Further Support of the Requesting Holders' Motion for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee* (the "Motion") will be held on **October 20, 2022, at 10:00 a.m.** (prevailing Eastern Time) (the "Hearing").

PLEASE TAKE FURTHER NOTICE that in accordance with General Order M-543 dated March 20, 2020, the Hearing will be conducted remotely using Zoom for Government. **Parties** wishing to appear at the Hearing, whether making a "live" or "listen only" appearance before the Court, need to make an electronic appearance through the Court's website at <https://ecf.nysb.uscourts.gov/cgi-bin/nysbAppearances.pl>. **Electronic appearances (eCourtAppearances) need to be made by 4:00 p.m. (prevailing Eastern Time), the business day before the hearing (i.e., on October 19, 2022).**

PLEASE TAKE FURTHER NOTICE that due to the large number of expected participants in the Hearing and the Court's security requirements for participating in a Zoom for Government audio and video hearing, all persons seeking to attend the Hearing at 10:00 a.m. (prevailing Eastern Time) on October 20, 2022, must connect to the Hearing beginning at 9:00 a.m. (prevailing Eastern Time) on October 20, 2022. When parties sign in to Zoom for Government and add their names, they must type in the first and last name that will be used to identify them at the Hearing. Parties that type in only their first name, a nickname or initials will not be admitted into the Hearing. When seeking to connect for either audio or video participation in a Zoom for Government Hearing, you will first enter a "Waiting Room," in the order in which you seek to connect. Court personnel will admit each person to the Hearing from the Waiting Room after confirming the person's name (and telephone number, if a telephone is

used to connect) with their eCourtAppearance. Because of the large number of expected participants, you may experience a delay in the Waiting Room before you are admitted to the Hearing.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the relief requested in the Motion shall: (i) be in writing; (ii) conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and all General Orders **applicable** to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York; (iii) be filed electronically with the Court on the Dkt. of *In re Celsius Network LLC*, No. 22-10964 (MG) by registered users of the Court's electronic filing system and in accordance with all General Orders applicable to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York (which are available on the Court's website at <http://www.nysb.uscourts.gov>); and (iv) be served so as to be actually received by **October 19, 2022, at 4:00 p.m.** (prevailing Eastern Time), by (a) the undersigned counsel, (b) the entities on the Master Service List available on the case website of the above-captioned debtors at <https://cases.stretto.com/celsius>, and (c) any person or entity with a particularized interest in the subject matter of the Motion.

PLEASE TAKE FURTHER NOTICE that only those responses or objections that are timely filed, served, and received will be considered at the Hearing. Failure to file a timely objection may result in entry of a final order granting the Motion as requested by the Requesting Holders (as defined in the Motion).

PLEASE TAKE FURTHER NOTICE that copies of the Motion and other pleadings filed in these chapter 11 cases may be obtained free of charge by visiting the website of Stretto at <https://cases.stretto.com/celsius>. You may also obtain copies of the Motion and other pleadings

filed in these chapter 11 cases by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

Dated: October 19, 2022
New York, New York

/s/ Dennis F. Dunne

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Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. (collectively, the “Requesting Holders”), as beneficial holders, or investment advisors or managers of beneficial holders, of Series B Preferred Shares issued by Celsius Network Limited (“CNL” and, together with its affiliated debtors and debtors in possession, the “Debtors”), by and through their undersigned counsel, respectfully state as follows in support of this motion (the “Motion”):

Background

1. On July 13, 2022 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. A detailed description of the relevant facts and circumstances is set forth in the *Declaration of Alex Mashinsky, Chief Executive Officer of Celsius Network LLC, in Support of Chapter 11 Petitions and First Day Motions* [Dkt. No. 23] and the *Declaration of Robert Campagna, Managing Director of Alvarez & Marsal North America, LLC, in Support of Chapter 11 Petitions and First Day Motions* [Dkt. No. 22].

3. On July 27, 2022, the United States Trustee appointed an official committee of unsecured creditors (the “UCC”). *See Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 241]. On September 14, 2022, the Court entered an *Order Directing the Appointment of an Examiner Pursuant to Section 1104(c) of the Bankruptcy Code* [Dkt. No. 820], which directed the appointment of an examiner on a limited scope. On September 29, 2022, the Court entered an *Order Approving the Appointment of Chapter 11 Examiner* [Dkt. No. 923], which approved the appointment of Shoba Pillay as examiner.

4. On September 22, 2022, the Requesting Holders filed the *Motion of Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee* [Docket No. 880] (the “Equity Committee Motion”), which seeks entry of an order directing the appointment of an official committee of the holders of CNL’s preferred equity securities in these cases. On October 13, 2022, the Debtors and the UCC filed objections to the Equity Committee Motion. See *Debtors’ Objection to Motion for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee* [Docket No. 1045] and *The Official Committee of Unsecured Creditors Objection to the Motion of Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee* [Docket No. 1049].

5. In connection with the Requesting Holders’ preparation of the *Reply in Further Support of the Requesting Holders’ Motion for Entry of an Order Directing Appointment of an Official Preferred Equity Committee* (together with the *Declaration of Andrew M. Leblanc in Support of the Requesting Holders’ Motion for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee*, the “Reply”), filed contemporaneously herewith, the Requesting Holders notified Debtors of their intention to annex to their Reply certain materials provided pre-petition by Debtors to the Requesting Holders (the “Exhibits”). Counsel for the Debtors responded that the Exhibits appeared to be confidential commercial information, and the Debtors requested that the Requesting Holders seal the materials.

6. Accordingly and contemporaneously herewith, the Requesting Holders filed the *Requesting Holders’ Motion for Entry of an Order Authorizing the Filing of Certain Information*

Under Seal in Connection with the Reply in Further Support of the Requesting Holders' Motion for Entry of an Order Directing the Appointment of an Official Preferred Equity Committee (the "Motion to Seal").¹ By that motion, the Requesting Holders request the entry of an order authorizing them to file under seal the Exhibits and the portions of the Reply Motion that summarize or disclose Confidential Information.

Relief Requested

7. By this Motion, the Requesting Holders seek entry of an order, substantially in the form attached hereto as **Exhibit A**, (i) shortening the notice period with respect to the Motion to Seal; and (ii) setting the Motion to Seal for hearing at the hearing scheduled for 10:00 a.m. (prevailing Eastern Time) on October 20, 2022 (the "Hearing"), with objections, if any, to be filed in advance of or made orally at the Hearing.

Jurisdiction and Venue

8. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

9. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

10. The statutory bases for the relief requested herein are Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9006-1(b) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Bankruptcy Rules").

Basis for Relief

11. By this Motion, the Requesting Holders request entry of an order shortening the notice and objection period for the Motion to Seal so that it may be heard, considered, and ruled

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion to Seal.

upon by the Court at the hearing scheduled for October 20, 2022, with objections, if any, to be filed in advance of or made at the Hearing.

12. Bankruptcy Rule 9006(c) provides that the Court, for cause shown, may in its discretion (with or without motion or notice) reduce a period in which an act is required to be performed. Fed. R. Bankr. P. 9006(c) (“[T]he court for cause shown may in its discretion with or without motion or notice order the [notice] period reduced.”). *See also* Local Bankr. R. 9006-1 (authorizing the Court, for cause shown, to reduce any notice period); 11 U.S.C. § 105(a) (providing that the Court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions” of the Bankruptcy Code); 11 U.S.C. § 102(1) (explaining that the phrase “after notice and a hearing” requires only such notice and opportunity for a hearing as may be appropriate under the circumstances). Thus, the Court has the authority to determine appropriate notice for conducting a hearing on the matters presented by the Motion to Seal.

13. The Requesting Holders respectfully submit that sufficient cause exists to shorten the notice period. There has been no undue delay in filing the Motion to Seal. Furthermore, the Equity Committee Motion, the Reply—and thus the Exhibits and the Confidential Information contained therein—are being heard and considered on October 20, 2022. In this context, time is of the essence. Failure to obtain approval of the Motion to Seal on the expedited basis requested herein could significantly impede fulsome argument on the Equity Committee Motion at the October 20, 2022 hearing. Furthermore, the Requesting Holders discussed the relief requested herein with counsel to the Debtors, UCC, and the United States Trustee who have all advised the Requesting Holders they have no objection to the relief requested in this Motion.

14. Accordingly, the Requesting Holders believe that shortening the time for consideration of the Motion to Seal will not prejudice any party, and that cause exists to shorten

the notice period with respect to the Motion to Seal to allow it to be heard at the hearing scheduled for October 20, 2022, at 10:00 a.m. (Prevailing Eastern Time).

Notice

15. Pursuant to Bankruptcy Rule 9006(c)(1), the Court may shorten time without notice. Accordingly, no notice of this Motion has been given.

No Prior Request

16. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Requesting Holders respectfully request entry of the proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: New York, New York
October 19, 2022

/s/ Dennis F. Dunne

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